Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAX) was up 4.4% year-over-year (y/y) in January, due mainly to increased business activity. Alberta's real GDP by expenditure fell by 3.7% in 2016, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,318,772 as of January 1, 2018, an increase of 1.4% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 5,599 in the fourth quarter of 2017. During this time, Alberta welcomed 5,297 net international migrants, while there was a net inflow of interprovincial migrants (+302) for the second consecutive quarter after in eight quarters of outflows.

NEW: Employment[1]

The economy added 8,300 jobs in March, the strongest monthly job gains so far in 2018. Employment rose 1.8% y/y, reflecting employment gains in both self-employment (+5.3% y/y) and full-time work (+2.5% y/y).

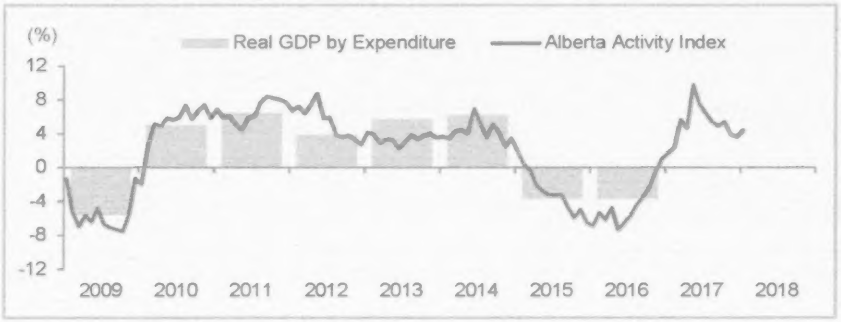
NEW: Unemployment Rate[1]

The strong employment gain pushed Alberta's unemployment rate down by 0.4 percentage point to 6.3% in March. Canada's unemployment rate stood unchanged at 5.8%.

NEW: Rigs Drilling

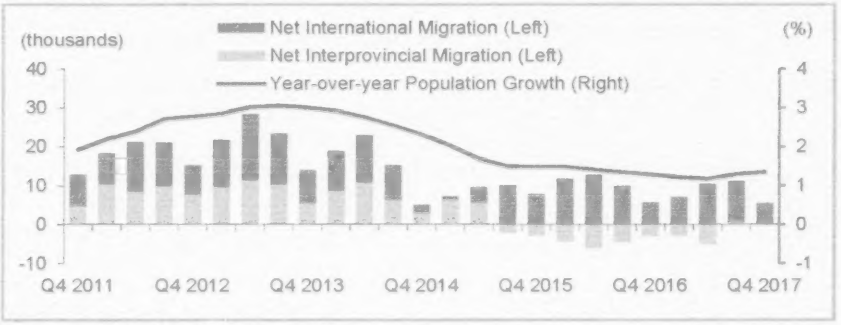
The number of active rigs in Alberta averaged 142 in March, down 4.0% y/y. The average rig utilization rate was 34%, unchanged from a year ago.

Economic Activity
Year-over-year % change



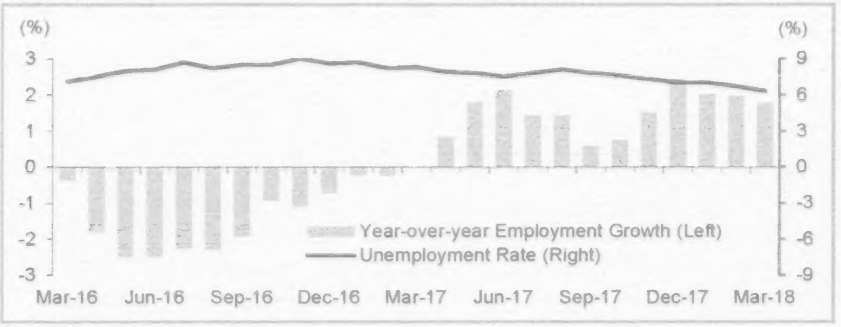
Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly



Source: Statistics Canada

Inflation

The annual Inflation rate in Alberta jumped by 0.8 percentage points to 2.2% y/y in February. Inflation excluding food and energy prices was up 0.4 percentage points to 1.4% y/y.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta ticked down by 0.1% m/m in January to $1,147. Earnings increased 3.1% y/y driven by increased earnings in both the goods and services sectors.

Retail Sales[1]

Alberta retail sales rose 0.5% m/m to $6.8 billion in January. Retail sales are up 2.1% y/y, the fourteenth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts fell by 3.5% m/m in February to 24,301 units (annualized). They were down 8.5% y/y, with declines in both multi-family (-14% y/y) and single-family starts (-7.2% y/y).

New Housing Price Index

In January, Alberta's New Housing Price Index (NHPI) ticked up by 0.1% y/y. The house-only component was unchanged, while land prices were up (+0.4% y/y).

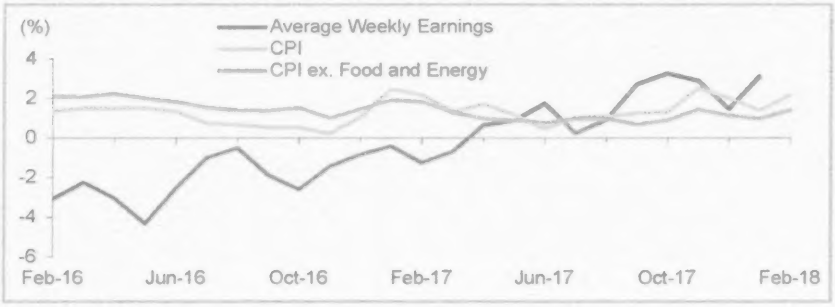
Building Permits[1]

Alberta building permits eased by 13% y/y in January to $1.1 billion, as increased residential permits (+5.3% y/y) was more than offset by a decline in non-residential permits (-33% y/y) .

[1] Seasonally adjusted

Inflation and Earnings

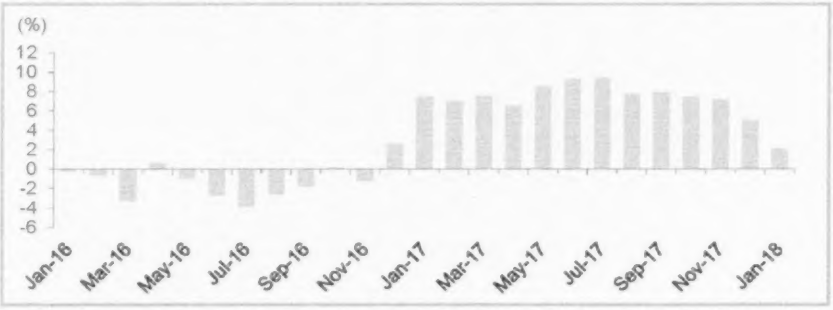
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact

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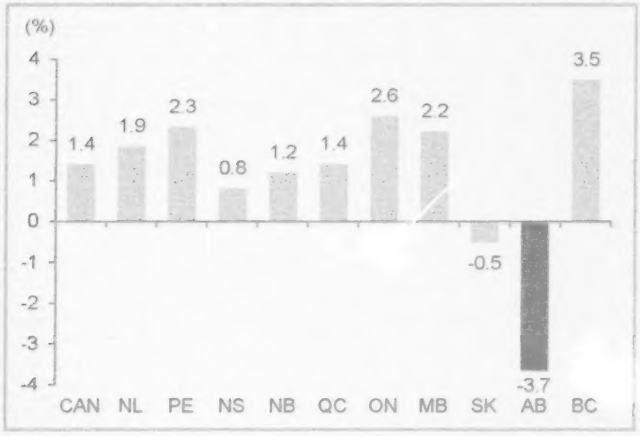
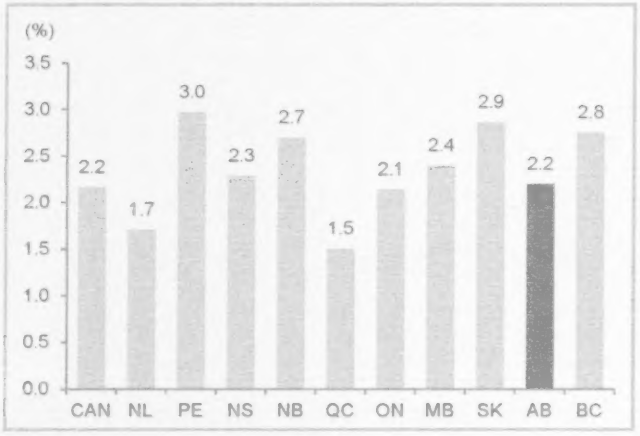
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (April 5, 2018)	78.27	63.54	2.68	1.74 (January)
Fiscal year-to-date	77.97	63.36	2.69	1.85

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

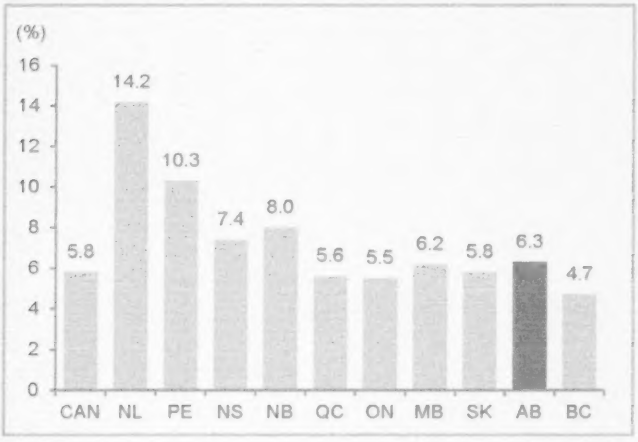
Real GDP by Expenditure
(2016, year-over-year growth)



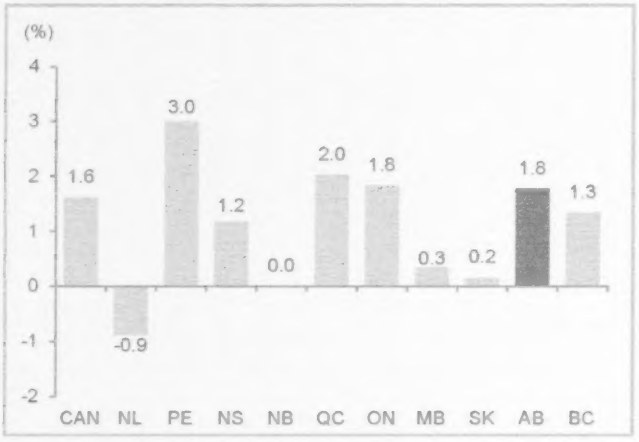
CPI Inflation
(February 2018, year-over-year growth)



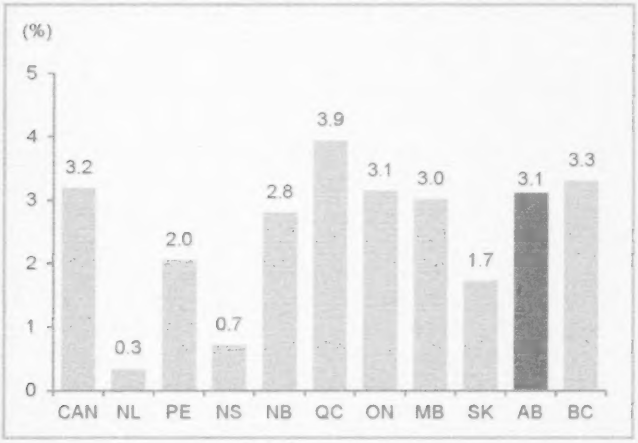
Unemployment Rate
(March 2018)



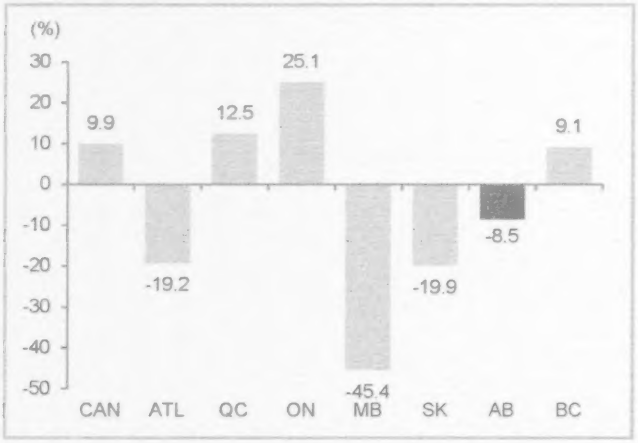
Employment
(March 2018, year-over-year growth)



Average Weekly Earnings
(January 2018, year-over-year growth)



Housing Starts
(February 2018, SAAR, year-over-year growth)



Alberta Economic Indicators

	2016	2017	2018YTD	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Alberta Activity Index (y/y % change)	4.4	5.1	4.4	5.4	3.9	3.6	4.4		
Population[1]									
Population (thousands)	4,236	4,286	4,319	4,306			4,319		
y/y % change	1.4	1.2	1.4	1.3			1.4		
Net Interprovincial Migration	-15,108	15,131	1,045	743			902		
Net International Migration	42,102	33,210	15,660	10,363			5,297		
Labour Market									
NEW Employment (thousands, SA)	2,264	2,287	2,319	2,293	2,300	2,320	2,315	2,317	2,325
m/m change (thousands)				10.5	7.1	20.4	-5.9	2.3	8.3
y/y % change	-1.6	1.0	1.9	0.8	1.5	2.4	2.0	2.0	1.8
NEW Unemployment Rate (%, SA)	8.1	7.8	6.7	7.6	7.2	7.0	7.0	6.7	6.3
NEW Participation Rate (%, SA)	72.5	72.4	72.0	72.2	72.1	72.4	72.2	71.9	71.9
Average Weekly Earnings ($, SA)	1,119	1,130	1,147	1,141	1,147	1,149	1,147		
y/y % change	-2.4	1.0	3.1	3.3	2.9	1.5	3.1		
Household Sector									
Retail Sales ($ million, SA)	75,110	80,752	6,796	6,793	6,779	6,760	6,796		
y/y % change	1.2	7.5	2.1	7.5	7.2	5.0	2.1		
New Vehicle Sales (units, thousands)	224	249	16	20	19	16	16		
y/y % change	-7.6	11.2	7.5	17.4	-0.2	0.5	7.5		
Consumer Price Index (y/y % change)	1.1	1.6	1.8	1.3	2.5	2.0	1.4	2.2	
Excluding Food & Energy	1.7	1.1	1.2	0.9	1.4	1.1	1.0	1.4	
Housing Starts (SAAR, 000's)	24.5	29.5	24.7	29.7	34.7	23.3	25.2	24.3	
y/y % change	-34.2	20.1	9.4	16.5	37.7	-11.2	34.9	-8.5	
New Housing Price Index (y/y % change)	0.5	-0.2	0.1	0.4	0.4	0.1	0.1		
Resale Home Sales	54,798	57,166	9,621	4,507	4,755	5,678	5,003	4,618	
y/y % change	-7.6	4.3	-2.7	-9.9	11.5	17.8	3.9	-9.0	
Sales to New Listing Ratio	0.50	0.49	0.53	0.47	0.50	0.58	0.54	0.51	
MLS Average Resale Prices ($ thousands)	397	398	396	399	397	380	395	398	
y/y % change	0.3	0.4	-0.1	0.2	-3.2	-4.6	-0.9	0.6	
NEW Consumer Bankruptcies (level)	5,427	5,008	383	460	403	350	383		
y/y % change	26.8	-7.7	2.0	2.3	13.3	-12.7	-2.0		
Business Sector									
NEW Goods Exports (customs based,$ million)	79,213	100,156	18,041	8,400	8,527	8,993	10,131	7,911	
y/y % change	-14.3	26.4	8.3	18.9	8.5	12.4	19.2	3.0	
NEW Energy Products ($ million)	51,594	69,519	13,094	5,733	5,904	6,418	7,512	5,582	
y/y% change	-17.5	34.7	7.7	23.1	6.9	15.8	22.0	6.9	
NEW Agricultural Products ($ million)	6,284	7,315	1,118	741	654	607	676	441	
y/y % change	-2.9	16.4	3.3	35.4	7.1	9.6	7.8	-16.4	
NEW Rigs Drilling	79	131	184	133	143	155	197	211	142
y/y% change	-34.0	66.0	2.9	31.3	32.4	2.9	0.9	12.4	4.0
Manufacturing Shipments ($ million, SA)	62,703	71,282	6,289	6,066	6,164	6,222	6,289		
y/y% change	-8.0	13.7	11.3	15.1	12.2	11.3	11.3		
Wholesale Trade ($ million, SA)	71,765	79,420	6,847	6,796	6,754	6,857	6,847		
y/y% change	-9.6	10.7	10.1	15.1	13.6	11.3	10.1		
Building Permits ($ million, SA)	14,200	14,245	1,092	1,007	1,288	1,130	1,092		
y/y% change	-15.2	0.3	-13.3	-52.8	18.1	35.4	-13.3		
Residential Permits ($ million, SA)	7,930	8,400	678	607	715	760	678		
y/y % change	-19.7	5.9	5.3	58.8	12.6	60.7	5.3		
Non-Residential Permits ($ million, SA)	6,270	5,845	414	401	574	371	414		
y/y% change	8.8	6.8	-32.8	-39.4	-25.7	-4.3	-32.8		
Non-Res. Building Const. Price Index[2] (y/y % change)	-2.8	0.5				1.2			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate. All annual data is unadjusted.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada). All historical data are subject to revision